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**TWENTY-EIGHTH
ANNUAL REPORT
1975**



SILVER STANDARD MINES LIMITED

(Non-Personal Liability)

Transfer Agents and Registrars

The Canada Trust Company,
901 West Pender Street,Vancouver, B.C.
110 Yonge Street,Toronto, Ont.

Head Office

904-1199 West Hastings Street,Vancouver, B.C.

Auditors

Campbell, Sharp, Nash & FieldVancouver, B.C.

Annual Meeting

The Annual General Meeting of the Shareholders of Silver Standard Mines Limited (Non-Personal Liability) will be held on Thursday September 4, 1975, in the Patricia Room, Hotel Georgia, Vancouver, B.C., at 11:00 o'clock in the forenoon (Vancouver Time).

DIRECTORS

DONALD M. CLARK, Q.C.	Vancouver, B.C.
HARRY B. GILLELAND	Summerland, B.C.
ROBERT E. HALLBAUER, P.Eng.	Vancouver, B.C.
*NORMAN B. KEEVIL, Jr., P.Eng.	Vancouver, B.C.
*ALEX C. RITCHIE, P.Eng.	Vancouver, B.C.
*E. CECIL ROPER, P.Eng.	Naramata, B.C.
*JOHN E. SMART	Vancouver, B.C.
JOHN W. STEWART, P.Eng.	Vancouver, B.C.
LEONARD G. WHITE, P.Eng.	Vancouver, B.C.
KEITH A. WILSON	Qualicum Bay, B.C.
*RIDGEWAY W. WILSON, P.Eng.	Vancouver, B.C.

*Members of the Executive Committee

OFFICERS

Chairman of the Board and Chairman of the Executive Committee	RIDGEWAY W. WILSON, P.Eng.
President	ALEX C. RITCHIE, P.Eng.
Vice-Chairman	DONALD M. CLARK, Q.C.
Secretary-Treasurer	ROBERT H. RAYNER



SILVER STANDARD MINES LIMITED

(Non-Personal Liability)

HIGHLIGHTS

- * *The results of the 1974 drill program at Liard Copper Mines support a new geological concept which strongly suggests the presently stated reserve of 300 million tons eventually may be doubled.*
- * *It is estimated that the Minto Copper orebody can be mined profitably with only a modest increase in the current copper price. A joint feasibility study is in progress.*
- * *The new Nevada gold discovery is an outstanding prospect. It has all the necessary elements – favorable geological environment, an exceptional gold anomaly, and most important, gold in place over a good thickness of carbonate rocks.*
- * *Drilling continues at the Red-Chris property. The chances of proving a mineable copper-gold orebody are considered good.*

REPORT TO SHAREHOLDERS:

It is a pleasure to submit the 28th Annual Report of your company. With important equities in two fine copper orebodies and several current projects showing unusual promise, Silver Standard is in an excellent position with respect to mineral properties. Unhappily, new government policies have had serious adverse effects on the resource industries and have reduced their attractiveness for the investor. It has become difficult to raise required risk capital for even the most deserving projects.

During the past months, management has taken several necessary steps to strengthen the company's financial position. By way of an amendment to its exploration agreement with American Smelting & Refining Co., Silver Standard has been relieved of the obligation to provide a further \$750,000 in development funds for the Minto Copper project. In return, the company relinquished a small fraction of the net proceeds accruing from future production. Also, a recent underwriting has placed \$200,000 in the treasury, and simultaneously Teck Corporation purchased 100,000 shares of treasury stock at \$1.00 under terms of the 1969 Financing Agreement as amended. Looking beyond this year, Teck has options to purchase 1,580,000 shares prior to December 31, 1977, at a price related to market, but at not less than \$1.50 per share.

As at March 31, 1975 working capital was \$266,213, a decrease of \$482,686 compared to that reported at the previous year end.

A judgment handed down by British Columbia Court of Appeal in the most recent suit arising from the sale of the Jedway iron property dismissed Silver Standard's appeal and allowed the cross-appeal of Granby. In view of the success experienced in previous actions, it was unfortunate that the lengthy litigation has ended unfavorably for Silver Standard.

Although most Silver Standard projects have not been affected directly by ill-conceived government actions, development of Liard Copper's Schaft Creek property has been brought to a standstill. The Schaft Creek deposit was discovered by Silver Standard prospectors in 1957. Some 104,000 feet have been drilled in 105 holes at a cost of \$3,500,000. Reserves have been stated conservatively as 300 million tons grading 0.51 percent combined copper-moly. The operation contemplated for Schaft Creek would rank with the largest open pit mines in the country.

Last year, Hecla Operating Company drilled six holes in areas of the Main Zone in which drill information was incomplete. The holes intersected long sec-

tions of ore-grade mineralization. Most significantly, they demonstrated that the ore zone is wide open for extension across two broad fronts. In the next round of drilling the ultimate mineral inventory can be expected to increase sharply. However, Liard Copper now joins the several huge mining projects in British Columbia that logically must await more favorable government attitudes, both federal and provincial.

The Minto Copper property is located in the Yukon Territory and is not subject to unrealistic provincial levies. Because the Minto orebody is shared by American Smelting & Refining Co. and Silver Standard at the south end and a group of companies headed by Falconbridge to the north, it has been drilled off in unusual detail. The final ore reserve computed for the Asarco-Silver Standard side indicates 5.2 million tons grading 1.7 percent copper. Gold and silver values are important, and they have the effect of raising the grade to the equivalent of 2 percent copper ore. The Falconbridge ground contains a somewhat lesser tonnage of similar grade. The flat-lying and compact orebody logically will be unitized and mined as a single efficient open pit operation. The excellent ore grade should result in a profitable venture. A joint feasibility study is now in progress.

South and east of the Minto orebody and outside of the area it is proposed to unitize, it is estimated there are two to three million tons that eventually will be mined near surface. Also, Asarco and Silver Standard have tested a square mile of favorable geology by widely-spaced holes. There are no fewer than 15 intersections that warrant follow-up. The result could be one or more zones that can be mined profitably by underground methods.

In Northwestern B.C. and some 60 miles northeast of Schaft Creek, work has continued on the Red Group. The Silver Standard claims and the adjacent Chris Group held by Great Plains Development recently have been unitized and the resulting large block of ground is being explored by Texasgulf Canada. Work to date has disclosed widespread copper mineralization, some of which is of good grade. The drill program being carried out during the 1975 season is substantial.

Silver Standard has a 40 percent interest in what may prove to be an important new gold discovery at Tuscarora, in Northeastern Nevada. To date, work has been confined to one of four geochemical anomalies which occur in a sedimentary environment



similar to the Carlin Mine 30 miles to the south. Five rotary holes drilled late last season established that gold values occur throughout a considerable thickness of carbonate rocks. Rotary drilling has been resumed this year and core drilling will be employed as an aid in interpreting the geology.

Each year, numerous programs, large and small, are carried out on properties sponsored by Silver Standard. Last year was notable because an effort was made to diversify into gold and silver situations. Quintana Minerals has completed 16 percussion holes and 5 diamond drill holes on a Queen Charlotte Islands gold occurrence that your company holds under option. Results are inconclusive, but there is a large mass of low grade pervasive gold mineralization that warrants further investigation. Noranda Explorations drilled two long holes under a good-looking molybdenum showing at the Fall Group. The results were poor and the option has been dropped.

Silver Standard has acquired potentially valuable silica deposits in Northeastern B.C. Although silica occurrences are numerous throughout B.C., large deposits of exceptional purity are not common and they may provide the basis for a profitable industrial venture. Hanna Mining Company assessed one deposit during 1974 and in the current season is testing a second silica body.

In the Yukon Territory, Silver Standard has the major interest in a copper prospect near Dawson City. In the past, several short drill holes produced indifferent results. The property now has been optioned by one of the large mining companies and it is receiving further assessment by geophysics this season.

Activity increases each year in Washington State. A further drill program has been completed at the L.S.U. property located in Washington south of Greenwood, B.C. This is a well known copper area and Silver Standard has a minor interest in a unitized claim block. Last year, your company optioned a precious metal deposit located just south of the B.C. border and referred to as the Wells Creek property. A known tonnage of silver-gold mineralization occupies a breccia zone of unknown dimensions. The breccia is being drilled this summer in an effort to expand the present reserve. Also last season, exploration crews staked a group of claims at the headwaters of Fortune Creek, north of Cle Elum. New work, conducted in the area of some old high grade copper showings, suggests the presence of a porphyry copper occurrence.

During the current season, Silver Standard crews are active in areas of the Yukon and Western U.S.A. with which they have become knowledgeable. In addition, for the first time, your company is operating in Northeastern Alberta and the Northwest Territories. Emphasis in these areas is on uranium. A single crew is exploring certain favorable areas and conducting property examinations in Washington and Idaho. In conjunction with the drilling at the Tuscarora gold property, grass roots prospecting continues in the surrounding areas on behalf of the participants in the Owyhee Syndicate.

The predictable adverse effects of recent legislation upon the mineral industry in British Columbia now have been well substantiated. Some people would have us believe that the cutback in exploration and the total lack of new mines being prepared for production are the results of low metal prices. This of course is ludicrous. The price of copper has fallen sharply. On the other hand, gold, silver, lead, zinc and other metals are at or near all-time highs. There is unprecedented activity in the Yukon and in Western U.S.A. Also, the industry in the past has accepted the cyclical nature of metal prices and has regarded periods of low prices as the appropriate times during which to acquire new properties and equip them for production. Current problems must be attributed to government actions, and in no small measure to steeply escalating costs. Be assured your company will be developing new mines long after the principal source of the industry's present problems has been removed.

The Board of Directors appreciates the fine efforts put forth by the staff during the past year.

On behalf of the Board of Directors,

A.C. RITCHIE
President

July 28, 1975



Officials of Asarco and Silver Standard examine drill cores at the Minto Copper property. A new modern camp has made life there more enjoyable.



The light-colored rock is silica and size of the deposit is impressive. Drill-sampling ensures the silica will meet critical specifications as to purity.



Indications of zinc and copper mineralization attracted veteran prospector Al Potter to this Yukon area.



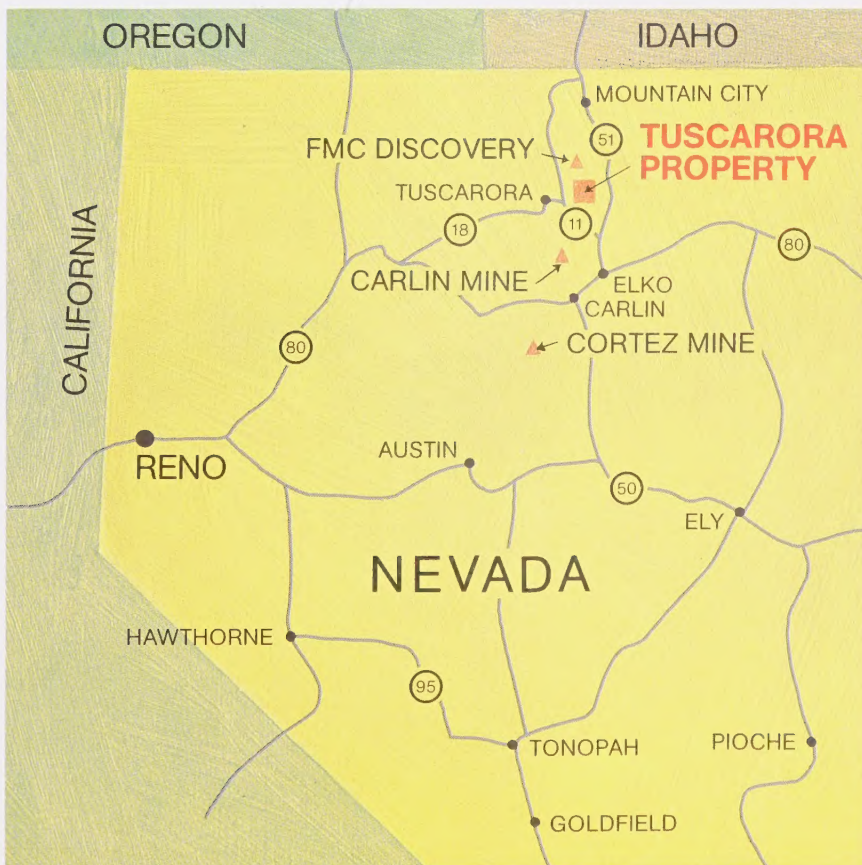
MINTO COPPER

The Minto Copper property is located in a pleasant and accessible area 150 miles northwest of Whitehorse, Y.T. A rough road that was pushed in from Carmacks will be up-graded to haul road specifications. Present plans

call for an open pit mining operation and concentrator treating 2000 tons per day. Power will be available from the Yukon power grid at a point near the old settlement of Minto.

RED-CHRIS GROUP

A helicopter is pictured dropping into a drill site at the property in North-western B.C. Copper mineralization, accompanied by important gold values, is widespread, and Silver Standard engineers are enthusiastic about this possible new addition to the company's impressive copper interests.



TUSCARORA GOLD

Major open pit gold mines such as Carlin and Cortez are located along the "Nevada Gold Belt". They have had a long history of exceptionally profitable operation. Now, Food Machinery Corporation apparently has an important new orebody, and nearby, a Vancouver-based syndicate headed by Silver Standard Mines is drilling an outstanding gold prospect.



SILVER STANDARD MINES LIMITED CONSOLIDATED

(non-personal liability)

ASSETS

	1975	1974
CURRENT ASSETS:		
Cash	\$ 29,155	\$ 63,125
Term deposits	334,000	780,000
Marketable securities, at cost (hypothecated)	10,000	10,000
Accounts receivable	13,337	1,950
Interest receivable	1,694	6,771
Inventory, Diamond drill bits, estimated net realizable value	1,326	1,326
Prepaid expenses		899
	<u>389,512</u>	<u>864,071</u>
INVESTMENTS , at cost less amounts written off (Note 3)	<u>202,721</u>	<u>248,995</u>
CAPITAL ASSETS		
Mining properties, at cost	213,357	176,293
Land, buildings and equipment at depreciated values (Note 4)	156,663	629,080
Queen Charlotte Iron property, at cost less recovered (Note 5)		79,171
	<u>370,020</u>	<u>884,544</u>
EXPLORATION AND DEVELOPMENT , at cost less amounts written off (Note 6)	<u>1,331,816</u>	<u>1,338,544</u>
DEFERRED CHARGES		
Organization expense	30,185	30,185
Outside exploration, at cost less amounts written off (Note 7)	2,905,935	2,551,635
	<u>2,936,120</u>	<u>2,581,820</u>
	<u>\$ 5,230,189</u>	<u>\$ 5,917,974</u>

On behalf of the Board

R.W. Wilson Director
A.C. Ritchie Director



ED BALANCE SHEET AS AT MARCH 31, 1975

LIABILITIES

	1975	1974
CURRENT LIABILITIES		
Bank, demand loan, secured	\$ 10,000	\$ 10,000
Accounts payable	<u>113,299</u>	<u>105,172</u>
	123,299	115,172
 MINORITY INTERESTS IN SUBSIDIARY COMPANIES	 1,535,021	 1,735,990

SHAREHOLDERS' EQUITY

SHARE CAPITAL: (Notes 8 and 9)

Authorized		
10,000,000 common shares of 50¢ each	\$ <u>5,000,000</u>	
Issued		
7,097,080 common shares of 50¢ each	3,548,540	3,373,540
CONTRIBUTED SURPLUS	3,050,302	2,891,302
 DEFICIT	 (3,026,973)	 (2,198,030)
	<u>\$ 5,230,189</u>	<u>\$ 5,917,974</u>



CAMPBELL, SHARP, NASH & FIELD

CHARTERED ACCOUNTANTS

999 WEST PENDER STREET

VANCOUVER, B.C.

AUDITORS' REPORT

To the Members,
Silver Standard Mines Limited
(non-personal liability).

We have examined the consolidated balance sheet of Silver Standard Mines Limited (non-personal liability) and its subsidiaries as at March 31, 1975 and the consolidated statements of deficit, operating and changes in working capital for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

Subject to the realization through future operations of the investment in capital assets, other investments detailed in Note 3 and exploration and development expenditures as set out in Notes 6 and 7, and in our opinion these consolidated statements present fairly the financial position of the companies as at March 31, 1975 and the results of their operations and the changes in their working capital for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year, except for those changes described in Note 1 to the financial statements, with which changes we concur.

We further report that, in our opinion, due provision has been made for minority interests.

Vancouver, Canada.
June 10, 1975.

CAMPBELL, SHARP, NASH & FIELD
Chartered Accountants

SILVER STANDARD MINES LIMITED (non-personal liability)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

March 31, 1975

NOTE 1: ACCOUNTING POLICIES

The consolidated financial statements of Silver Standard Mines Limited include the accounts of all subsidiary companies. These subsidiaries were not consolidated in previous years with the exception of American Standard Explorations Inc. Figures for 1974 have been restated to conform to this basis. These subsidiaries are as follows:

	Year End	Percentage Ownership
American Standard Explorations Inc.	March 31	100.0%
Liard Copper Mines Ltd. (N.P.L.)	April 30	65.6%
Nickel Mountain Mines Ltd. (N.P.L.)	December 31	72.5%
Dorita Silver Mines Ltd. (N.P.L.)	November 30	60.2%
Virginia Silver Mines Ltd. (N.P.L.)	July 31	92.0%
Lord River Gold Mines Ltd. (N.P.L.)	March 31	67.5%

The accounts of subsidiaries with year ends other than March 31, have been adjusted to coincide with this date.

Some of these companies have different year ends as prior to consolidation the desirability of conforming with the parent company's fiscal year was not recognized.

The accounts of American Standard Explorations Inc. have been translated from U.S. to Canadian dollars at par as no significant difference would arise by using current rates.

Exploration and development expenditures are carried as assets until such time as the related mining claims are abandoned. General exploration expenditures are written off in the year incurred.

The exploration and development expenditures of subsidiaries include property carrying charges during periods of active development but during inactive periods these costs are written off in the year incurred.

The accounts of Dorita Silver Mines Ltd., which include property carrying charges in exploration and development expenditures, have been adjusted for consolidation purposes to conform with these policies.

The excess of book values of net assets of subsidiary companies over the cost of the investment in those companies by Silver Standard Mines Limited amounting to \$3,483,541 has been applied to reduce the carried values of mining properties.

NOTE 2:

A court action against Granby Mining Co. Ltd. and Jedway Iron Ore Ltd. claiming the principal amount of \$670,454 together with accrued interest from April 1, 1968 to June 30, 1973 of \$211,462, arising from the sale of the Queen Charlotte Iron property in 1961, was heard in November 1973 and the decision handed down was subsequently appealed.

The company's appeal was dismissed and based on subsequent legal opinions the company determined not to appeal further. Granby was awarded its taxed legal costs under the terms of the Judgement.

As a result of the loss of the company's claim for interest, the total interest accrued by the company to March 31, 1974 has been charged to deficit as at March 31, 1974, the balance of which was previously reported as \$1,965,773. This balance has now been restated to show a retroactive charge of \$232,257 representing the amount by which interest income as at March 31, 1974 had been reduced. Of this amount, \$37,709 is applicable to the year ended March 31, 1974 and has been charged to deficit for that year. The remaining \$194,548 is applicable to years prior to April 1, 1973 and has been charged to deficit at that date, previously reported as \$804,858.

NOTE 3: INVESTMENTS, Other

	Common Shares	Cost or Written Down Value
Albeta Mines Ltd. (N.P.L.)	371,667	\$ 43,292
Carnegie Mining Corporation Ltd. (N.P.L.)	25,000	2,500
Climax Copper Mines Ltd. (N.P.L.)	110,750	3,001
Emrex Mining Ltd. (N.P.L.)	25,000	5,000
Northlake Mines Ltd. (N.P.L.)	91,500	1
Ingenika Mines Ltd. (N.P.L.)	50,000	1,500
Moneta Porcupine Mines Ltd. (N.P.L.)	270,581	99,595
Table Mountain Mines Ltd. (N.P.L.)	48,567	47,832
		<u>\$ 202,721</u>

Market values of these investments are generally not significant as the shares are either not being actively traded or are subject to only light trading due to the companies being inactive or in process of development. The 270,581 shares of Moneta Porcupine Mines Ltd. had a market value of \$135,290 at March 31, 1975.

NOTE 4: LAND, BUILDINGS AND MINE EQUIPMENT

	Cost	Accumulated Depreciation and Write-Down	Depreciated Value
Buildings, plant and equipment Dorita Silver Mines Ltd.	\$ 605,779	\$ 468,535	\$ 137,244
Field office, at Smithers, B.C. land and building	26,262	23,762	2,500
Office furniture and fixtures	18,817	11,424	7,393
Mine equipment (including vehicles)	282,498	272,972	9,526
	<u>\$ 933,356</u>	<u>\$ 776,693</u>	<u>\$ 156,663</u>

The buildings, plant and equipment of Dorita Silver Mines Ltd. acquired in 1951, 1952 and 1953, were not depreciated in the accounts for the subsequent years to November 30, 1973. In the current year these assets were written down to the appraised value determined by General Appraisal of Canada Ltd. on October 14, 1971, with a further write-down equal to ten percent straight line depreciation for the years 1972 to 1974 inclusive.

NOTE 5: QUEEN CHARLOTTE IRON PROPERTIES

Development costs	\$ 407,921
Deduct: Payments received	328,750
Balance, beginning of year	79,171
Amount written off during the year	79,171
Balance, end of year	<u>Nil</u>

NOTE 6: EXPLORATION AND DEVELOPMENT

At March 31, 1974 Teck Corporation Ltd., in fulfillment of its obligations under an amended option agreement, had made expenditures of \$2,100,000 on company properties and the company had fulfilled its obligations under the said agreement by issuing 1,306,666 shares to Teck Corporation Ltd. for a total consideration equal to and satisfied by the aforesaid expenditures.

In the accounts of the company these expenditures, less amounts written-off on properties abandoned, are carried forward as assets. The details are as follows:

	Cost	Written-Off	Written-Down Value
Balance, at beginning of year	\$ 2,100,000	\$ 761,456	\$ 1,338,544
Amounts written-off during the year		6,728	(6,728)
Balance, at end of year	<u>\$ 2,100,000</u>	<u>\$ 768,184</u>	<u>\$ 1,331,816</u>

Under the terms of the agreement with Teck Corporation Ltd. that company is entitled to claim these expenditures for income tax purposes.

NOTE 7: OUTSIDE EXPLORATION

	Cost	Written-Off	Written-Down Value
Balances, at beginning of year	\$ 3,719,318	\$ 1,167,683	\$ 2,551,635
Expenditures during the year	564,176		564,176
Written-off during the year		209,876	(209,876)
Balances, at end of year	<u>\$ 4,283,494</u>	<u>\$ 1,377,559</u>	<u>\$ 2,905,935</u>

The company expects to recover \$33,000 of these costs from Silmonac Mines Limited for the preliminary development work on its property.

NOTE 8: ISSUED SHARE CAPITAL

	Common Shares	At Par Value	Premium	Total
Balance, March 31, 1974	\$ 6,747,080	\$ 3,373,540	\$ 2,891,302	\$ 6,264,842
Shares issued for cash				
Teck agreement (see Note 9)	100,000	50,000	50,000	100,000
Underwriting agreement	200,000	100,000	100,000	200,000
Employee options	50,000	25,000	9,000	34,000
Balance, March 31, 1975	<u>\$ 7,097,080</u>	<u>\$ 3,548,540</u>	<u>\$ 3,050,302</u>	<u>\$ 6,598,842</u>

NOTE 9: STOCK OPTIONS

a) Teck Corporation Limited

Under the terms of the amended option agreement referred to in Note 6, which agreement was further amended in February 1975, Teck Corporation Limited took up 100,000 shares at a price of \$1 per share in March 1975, and has an option on a further 1,580,000 shares, the purchase price being based on the average market price, during the 90 days prior to purchase, less allowable discount, but not to be less than \$1.50 per share exercisable up to December 31, 1977. If, however, the first option mentioned in Note 9(b) below is exercised, Teck Corporation Limited will be obliged to purchase 50,000 shares at a price of \$1.25 per share, within three days of completion of the firm purchase specified in that option. If these 50,000 shares are purchased then the total number of shares remaining under option to Teck Corporation Limited will be reduced to 1,530,000 of which 100,000 are required to be taken up in 1976 in order to maintain the option rights to the remainder.

b) Underwriting Agreement

Under the terms of an underwriting agreement dated March 10, 1975 and amended June 9, 1975, there are two outstanding options to Pemberton Securities Ltd. and Carlisle, Douglas, Adam & Co. Ltd. (collectively the underwriter) to purchase 400,000 shares in the company.

The first option is for 200,000 shares at a price of \$1.25 per share, exercisable not later than July 9, 1975, and the second option is for 200,000 shares at a price of \$1.75 per share, exercisable not later than October 7, 1975.

c) Company Employees

There were outstanding options to certain officers and employees to purchase 75,000 shares as at March 31, 1975. 12,500 shares may be taken up at a price of 68 cents per share not later than July 31, 1975 and the remaining 62,500 shares may be taken up at a price of 78 cents per share during the period August 1, 1975 to July 31, 1976.

NOTE 10: REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

The aggregate direct remuneration paid to the directors and senior officers of the company was \$173,525 (1974 — \$158,780).

NOTE 11: COMMITMENTS AND CONTINGENT LIABILITIES

a) The original financing agreement on the Minto property with American Smelting and Refining Company Inc. required Silver Standard to contribute funds until \$3,000,000 had been expended. By a letter amendment dated February 25, 1975 this amount was reduced to \$1,500,000 and as a result Silver Standard has no further obligation to advance funds. In consideration of this reduction American Smelting and Refining Company's share of the net proceeds from production has been increased from 50% to 53.5%.

b) The company's pension plan expense for the year includes \$13,458 for past service benefits with respect to senior officers. As at March 31, 1975 the present value of the company's unfunded obligations for these past service benefits amounted to \$62,817, which amount has not been provided for in the accounts. Although the company may terminate or amend the pension plan at any time, it is expected that the cost of these benefits will be charged to operations in future years.

NOTE 12: AGREEMENT WITH WILSON MINING CORPORATION LTD.

The company has an agreement with Wilson Mining Corporation Ltd. which grants that company the right to purchase up to ten percent interest in any mining properties for a period of five years from the date any such properties are acquired. This agreement terminates April 1, 1985.



SILVER STANDARD MINES LIMITED (non-personal liability)

CONSOLIDATED STATEMENT OF DEFICIT
for the year ended March 31, 1975

	<u>1975</u>	<u>1974</u>
BALANCE, beginning of year		
As previously reported	\$ 1,965,773	\$ 804,858
Adjustments of prior years (Note 2)	232,257	194,548
As restated	2,198,030	999,406
NET LOSS FOR THE PERIOD	828,943	1,198,624
BALANCE, end of year	<u>\$ 3,026,973</u>	<u>\$ 2,198,030</u>

CONSOLIDATED STATEMENT OF CONTRIBUTED SURPLUS
for the year ended March 31, 1975

	<u>1975</u>	<u>1974</u>
BALANCE, beginning of year	\$ 2,891,302	\$ 1,931,302
Premium on shares issued	159,000	960,000
BALANCE, end of year	<u>\$ 3,050,302</u>	<u>\$ 2,891,302</u>



SILVER STANDARD MINES LIMITED (non-personal liability)

CONSOLIDATED OPERATING STATEMENT
for the year ended March 31, 1975

	1975	1974
INCOME		
Management and engineering services	\$ 89,874	\$ 160,175
Equipment rental	3,011	8,608
Investment income	38,766	28,028
Sundry income	1,590	1,530
Royalties	1,994	1,608
	<u>135,235</u>	<u>199,949</u>
EXPENDITURES		
Directors remuneration and benefits as executive officers	71,734	68,116
Salaries — engineering	100,140	87,872
— other	41,166	34,985
Employee benefits	19,647	16,344
Directors fees	11,000	10,700
Legal and audit	37,846	53,400
Travel and field expenses	8,657	6,692
General office	99,053	73,255
	<u>389,243</u>	<u>351,364</u>
LOSS FOR THE YEAR BEFORE THE FOLLOWING CHARGES	<u>254,008</u>	<u>151,415</u>
Exploration and development written off		
Queen Charlotte Iron (Note 5)	\$ 79,171	
Teck expenditures (Note 9)	6,728	
Outside exploration (Note 7)	<u>209,876</u>	<u>1,044,020</u>
Depreciation, buildings and equipment	8,545	8,112
(Profit) on disposal of equipment	(10)	(148)
Loss on sale of bonds		2,500
Write-down of investments	40,124	
Write-down of buildings, plant and equipment (Note 4)	<u>468,535</u>	
	<u>812,969</u>	<u>1,054,484</u>
LOSS FOR THE YEAR BEFORE MINORITY INTERESTS		
IN LOSSES OF SUBSIDIARIES	<u>1,066,977</u>	<u>1,205,899</u>
Minority interests in losses of subsidiaries	<u>238,034</u>	<u>7,275</u>
NET LOSS FOR THE YEAR	<u>\$ 828,943</u>	<u>\$ 1,198,624</u>
LOSS PER SHARE	<u>\$0.12</u>	<u>\$0.20</u>
DILUTED LOSS PER SHARE	<u>\$0.07</u>	<u>\$0.10</u>



SILVER STANDARD MINES LIMITED (non-personal liability)

**CONSOLIDATED STATEMENT OF CHANGES IN
WORKING CAPITAL for the year ended March 31, 1975**

	1975	1974
WORKING CAPITAL INCREASED BY		
Sale of equipment	\$ 230	\$ 2,825
Proceeds — sale of shares, parent company	334,000	911,250
— sale of shares in subsidiary company to outsiders		67,501
Sale of investments	6,935	
	<u>341,165</u>	<u>981,576</u>
WORKING CAPITAL DECREASED BY		
Operating loss before non-cash charges	254,008	151,415
Loss on sale of bonds		2,500
Purchase of equipment	5,667	8,446
Outside exploration	564,176	132,861
Incorporation expense, subsidiary company		3,078
Investment, Table Mountain Mines Ltd. (N.P.L.), shares		14,923
	<u>823,851</u>	<u>313,223</u>
INCREASE (DECREASE) IN WORKING CAPITAL	(482,686)	668,353
WORKING CAPITAL, beginning of year	748,899	80,546
WORKING CAPITAL, end of year	\$ 266,213	\$ 748,899

